

(PRE-FILED)

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By: **Delegate Impallaria**

Requested: October 10, 2003

Introduced and read first time: January 14, 2004

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicles - Certificates of Title - Salvage Inspections**

3 FOR the purpose of requiring the Motor Vehicle Administration to issue a certificate  
4 of title without a certificate of inspection issued by a county police department  
5 or the Department of State Police if the vehicle is of a certain age or was  
6 released from a police impound lot within a certain period; requiring a county  
7 police department or the Department of State Police to issue an inspection  
8 certificate without conducting an inspection if the county police department or  
9 the Department of State Police is unable to schedule an inspection appointment  
10 within a certain time period or is unable to keep a scheduled inspection  
11 appointment; and generally relating to certificates of title and salvage  
12 inspections.

13 BY repealing and reenacting, with amendments,  
14 Article - Transportation  
15 Section 13-507  
16 Annotated Code of Maryland  
17 (2002 Replacement Volume and 2003 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Transportation**

21 13-507.

22 (a) (1) An application for a certificate of title of a vehicle for which a salvage  
23 certificate has been issued shall be made by the owner of the vehicle on a form that  
24 the Administration requires.

25 (2) An application under paragraph (1) of this subsection shall be  
26 accompanied by:

1 (i) Except as provided in subsection (c)(3) of this section, the  
2 salvage certificate for the vehicle;

3 (ii) [A] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS  
4 SECTION, A certificate of inspection issued by a county police department or the  
5 Department of State Police; and

6 (iii) A certificate of inspection as required under Title 23 of this  
7 article.

8 (3) (i) The Administration may establish a fee for an inspection under  
9 paragraph (2)(ii) of this subsection.

10 (ii) The fees collected under this paragraph shall be paid to the  
11 Auto Theft Unit of the Department of State Police for the purpose of recovering the  
12 cost of administering the salvage inspection program and may not be credited to the  
13 Gasoline and Motor Vehicle Revenue Account for distribution under § 8-403 or §  
14 8-404 of this article.

15 (b) (1) The certificate of title issued by the Administration shall be:

16 (i) Issued in the name of the applicant; and

17 (ii) In a form as provided in this subsection.

18 (2) The Administration shall issue a certificate of title that contains a  
19 conspicuous notation that the vehicle is "rebuilt salvage" if the salvage certificate  
20 accompanying the application:

21 (i) Bears a notation under § 13-506(c)(2)(ii)1 of this subtitle; or

22 (ii) Does not bear a notation under § 13-506(c)(2)(ii)2 of this  
23 subtitle.

24 (3) The Administration shall issue a certificate of title that does not  
25 contain a notation under paragraph (2) of this subsection if the salvage certificate  
26 accompanying the application:

27 (i) Bears a notation under § 13-506(c)(2)(ii)2 of this subtitle;

28 (ii) Is issued before October 1, 1992 and the application is  
29 accompanied by a statement in writing from an insurance company that the cost to  
30 repair the vehicle was equal to or less than the fair market value of the vehicle prior  
31 to the vehicle sustaining damage; or

32 (iii) Is issued for a vehicle that is more than 7 model years old.

33 (c) (1) When an insurance company makes a claim settlement on a vehicle  
34 that has been stolen, the company shall apply for a salvage certificate as provided in  
35 § 13-506(c) of this subtitle.

1 (2) On receipt of an application under this subsection, the  
2 Administration:

3 (i) Shall make the appropriate notation in its records; and

4 (ii) May not issue the salvage certificate until the vehicle is  
5 recovered.

6 (3) When a vehicle that has been stolen is recovered, the Administration  
7 shall:

8 (i) Issue a salvage certificate for the vehicle if the insurance  
9 company submits a certification under § 13-506(c)(2)(i)1, 2, or 3 of this subtitle; or

10 (ii) Issue a certificate of title in lieu of a salvage certificate if the  
11 insurance company states that the vehicle has not sustained damage or has sustained  
12 only minor damage.

13 (4) The provisions of subsection (b) of this section apply to a certificate of  
14 title issued under this subsection.

15 (5) A vehicle for which a certificate of title was issued under paragraph  
16 (3)(ii) of this subsection is exempt from the vehicle excise tax as provided in §  
17 13-810(a)(9) of this article.

18 (d) If the Administration receives an application for a certificate of title for a  
19 vehicle accompanied by an ownership document issued by another state containing a  
20 notation under the laws of the issuing state that the vehicle is in a condition that is  
21 substantially similar to a vehicle that is rebuilt salvage under Maryland law, the  
22 certificate of title issued by the Administration shall contain a similar notation.

23 (E) (1) THE ADMINISTRATION SHALL ISSUE A CERTIFICATE OF TITLE  
24 WITHOUT A CERTIFICATE OF INSPECTION ISSUED BY A COUNTY POLICE  
25 DEPARTMENT OR THE DEPARTMENT OF STATE POLICE IF:

26 (I) THE VEHICLE IS 7 OR MORE MODEL YEARS OLD; OR

27 (II) THE VEHICLE WAS RELEASED FROM A POLICE IMPOUND LOT  
28 WITHIN THE PREVIOUS 6 MONTHS.

29 (2) THE COUNTY POLICE DEPARTMENT OR THE DEPARTMENT OF STATE  
30 POLICE SHALL PROVIDE AN INSPECTION CERTIFICATE WITHOUT CONDUCTING AN  
31 INSPECTION IF THE COUNTY POLICE DEPARTMENT OR THE DEPARTMENT OF STATE  
32 POLICE:

33 (I) IS UNABLE TO SCHEDULE AN INSPECTION APPOINTMENT  
34 WITHIN 2 WEEKS OF THE REQUEST FOR AN APPOINTMENT; OR

35 (II) IS UNABLE TO KEEP A SCHEDULED INSPECTION  
36 APPOINTMENT.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 October 1, 2004.